

ND RISK MANAGEMENT FUND

State Investment Board Balance Sheet As of 6/30/2008

	As of <u>6-30-08</u>	As of <u>6-30-07</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 1,018,171	\$ 1,099,925
DOMESTIC FIXED INCOME	2,351,498	2,364,722
INVESTED CASH (NOTE 1)	<u>185,642</u>	<u>185,019</u>
TOTAL INVESTMENTS	3,555,311	3,649,666
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	47,430	48,522
MISCELLANEOUS RECEIVABLE	<u>6</u>	<u>5</u>
TOTAL RECEIVABLES	47,436	48,527
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (I	131,410	500,061
OPERATING CASH	<u>195</u>	<u>167</u>
TOTAL ASSETS	<u>\$ 3,734,352</u>	<u>\$ 4,198,421</u>
LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	131,410	500,061
ACCOUNTS PAYABLE	24	22
ACCRUED EXPENSES	42	45
INVESTMENT EXPENSE PAYABLE	<u>5,483</u>	<u>2,497</u>
TOTAL LIABILITIES	136,959	502,625
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	3,695,796	3,263,199
CASH IN DURING YEAR (NOTE 3)	0	1,000,000
CASH OUT DURING YEAR (NOTE 4)	0	950,000
NET INCREASE (DECREASE)	<u>(98,403)</u>	<u>382,597</u>
NET ASSETS AVAILABLE END OF PERIOD	<u>3,597,393</u>	<u>3,695,796</u>
TOTAL LIABILITIES & NET ASSETS AVAILABLE	<u>\$ 3,734,352</u>	<u>\$ 4,198,421</u>

ND RISK MANAGEMENT FUND

State Investment Board Profit and Loss Statement For the Month Ended 6/30/2008

	Month Ended <u>6-30-08</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 12,316	\$ 143,886
SECURITIES LENDING INCOME	318	12,713
	<u>12,634</u>	<u>156,599</u>
 GAIN ON SALE OF INVESTMENTS	 41,067	 642,481
LOSS ON SALE OF INVESTMENTS	<u>64,912</u>	<u>661,080</u>
 NET GAINS (LOSSES) INVESTMENTS	 (23,845)	 (18,599)
 INVESTMENT EXPENSES	 3,523	 11,757
SECURITIES LENDING EXPENSES	243	11,476
 NET INVESTMENT INCOME	 (14,977)	 114,767
 NET APPREC (DEPREC) MARKET VALUE	 (86,151)	 (212,620)
MISCELLANEOUS INCOME/(EXPENSE)	<u>53</u>	<u>440</u>
 TOTAL INVESTMENT INCOME	 <u>(101,075)</u>	 <u>(97,413)</u>
 DEDUCTIONS:		
ADMINISTRATIVE EXPENSES	194	990
 NET INCREASE (DECREASE)	 <u>\$ (101,269)</u>	 <u>\$ (98,403)</u>

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Notes To Financial Statements
June 30, 2008

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 4 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.